

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

0 3 _ 2 3 _

2. STATE:

OKLAHOMA

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL
SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE

1-1-04

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR 440.120

7. FEDERAL BUDGET IMPACT:

a. FFY 2004 \$ 28,359,594

b. FFY 2005 \$ 37,203,165

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 3.1-A, Page 5a-1

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

Same page, Revised 2-1-03, TN#03-05

10. SUBJECT OF AMENDMENT:

Increase allowed prescriptions for adults

11. GOVERNOR'S REVIEW (Check One):

☒ GOVERNOR'S OFFICE REPORTED NO COMMENT☐ OTHER, AS SPECIFIED:☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

Mike Fogarty

14. TITLE:

Chief Executive Officer

15. DATE SUBMITTED:

December 5, 2003

16. RETURN TO:

Oklahoma Health Care Authority

attn: Jim Hancock

4545 N. Lincoln, Suite 124

Oklahoma City, OK 73105

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

12 DECEMBER 2003

18. DATE APPROVED:

23 FEBRUARY 2004

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

1 JANUARY 2004

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

ANDREW A. FREDRICKSON

22. TITLE:

ASSOCIATE REGIONAL ADMINISTRATOR
DIV OF MEDICAID & CHILDREN'S HEALTH

23. REMARKS:

cc: Mike Fogarty
Jim Hancock

State OKLAHOMA

**AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND
SERVICES PROVIDED**

CATEGORICALLY NEEDY

- 12.a. Prescribed drugs, dentures, and prosthetic devices, and eyeglasses prescribed by a physician skilled in diseases of the eye or by an optometrist.

Prescription Drugs

Payment will be made from Title XIX funds to pharmacists with whom the Agency has a contract on behalf of categorically needy recipients up to a maximum of six (6) prescriptions (new or refill) with a limit of three (3) brand name per month per eligible recipient. Exceptions: Prescription drugs under EPSDT, birth control drugs, antineoplastics, chemotherapeutic agents for the treatment of opportunistic infections for persons diagnosed with acquired immune deficiency syndrome (AIDS), certain prescriptions which require frequent laboratory monitoring, and hemophilia drugs are not limited to either the six (6) prescriptions per month or the three (3) brand name drugs per month limit. Prescription quantities are limited to a 34 day supply or 100 dosage units, whichever is greater. Some prescription drugs may require prior authorization as determined by the Drug Utilization Review Board (DUR). Only legend drugs whose manufacturers have a rebate agreement with CMS are covered.

Tiered Drug List

The DUR Board will determine medical necessity for drugs covered under the Oklahoma tiered drug list and establish criteria for any prior authorization process. A preferred product, tiered drug list, is utilized for certain categories of drugs. Drugs included in tier one are available without additional documentation. A prior authorization process is available for drugs not included in tier one.

The prior authorization process provides for a turn-around response by either telephone or other telecommunications device within 24 hours of receipt of a prior authorization request. In emergency situations, providers may dispense at least a 72 hour supply of medication.

Supplemental Drug Rebate Pursuant to Section 1927 of the Act, the State has the following policies for Medicaid supplemental rebates:

A model agreement between the State and a drug manufacturer for drugs provided to the Medicaid population, submitted to CMS on January 2, 2004 and entitled "State of Oklahoma, Oklahoma Health Care Authority Supplemental Rebate Agreement" has been authorized by CMS.

Supplemental rebates received by the State in excess of those required under the national rebate agreement will be shared with CMS on the same percentage basis as applied under the national rebate agreement.

Drugs of manufacturers who do not participate in the supplemental rebate program will still be available to Medicaid recipients.

Products for which a signed Medicaid State Supplemental Rebate Agreement is on file will have preferred status. This status may be reflected in the Product's placement in Tier One of the Tiered Drug List, inclusion on a Preferred Drug List, or by removing a prior authorization requirement from the product.

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STATE <u>OKLAHOMA</u>	
DATE REC'D <u>12-12-03</u>	
DATE APP'D <u>2-23-04</u>	
DATE EFF <u>1-1-04</u>	
HCFA 179 <u>03-23</u>	

SUPERSEDES TN- 03-05

Revised 01-01-04

TN# 03-23 Approval Date 2-23-04 Effective Date 1-1-04
Supersedes
TN# 03-05